

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Joint Conference Call Meeting
July 28, 2015 – 8:30 a.m.

VSERS Members present:

Roger Dumas, Chairperson, VRSEA Representative (term expiring September 1, 2016)
Thomas Hango, Vice-Chairperson, VSEA Representative (term expiring September 1, 2016) – via telephone
Jeff Briggs, VSEA Representative (term expiring September 1, 2016)
Jay Wisner, Governor's Delegate position
Maribeth Spellman, Commissioner of Human Resources (ex-officio) – via telephone
James Reardon, Commissioner of Finance & Management (ex-officio)
Elizabeth Pearce, VT State Treasurer

Members absent:

Paul White, Jr., VSEA Alternate Representative (term expiring September 1, 2015)
Allen Blake, VRSEA Alternate Representative (term expiring September 1, 2016)

Also attending:

Laurie Lanphear, Director of Retirement Operations
Joshua McCormick, Assistant to Nancy Dimick
David Driscoll, Buck Consultants
Kai Peterson, Buck Consultants

The Chairperson, Roger Dumas, called the July 28, 2015, conference call meeting to order at 8:31 a.m., which was held in the basement auditorium, Fourth Floor, 109 State Street, Montpelier, VT.

ITEM 1: **Joint Meeting with VPIC and other Retirement Board of Trustees to consider Investment Return assumption.**

Mr. Peterson presented to the boards a handout on the assumption for the assumed rate of return. Mr. Peterson talked to the board about the GEMS model that is used and how it works. He spoke about the target asset allocation and capital market assumptions. He also spoke to the board about going from the former method of interest rate assumption, the select and ultimate method, to the now proposed Assumed Rate of Return method. Buck Consultants is recommending using a percentage of 7.95% for the assumed rate of return. NEPC attested and affirmed that they are in agreement with Buck's recommendation.

On motion by Ms. Pearce, seconded by Mr. Reardon, the board voted by roll call to adopt 7.95% as the actuarial rate of return.

ITEM 2: **Adjournment**

On motion by Mr. Reardon, seconded by Mr. Dumas, the Board unanimously voted by roll call to adjourn at 9:02 a.m.

Next Meeting Date:

The next scheduled VSERS meeting is an In-House meeting, August 13th, 9:00 a.m.

Respectfully submitted,

Nancy Dimick
Secretary to the Board